

AMENDED IN SENATE APRIL 17, 2002

SENATE BILL

No. 1790

Introduced by Senator Bowen

February 22, 2002

An act to add Section 2774.6 to the Public Utilities Code, relating to public utilities.

LEGISLATIVE COUNSEL'S DIGEST

SB 1790, as amended, Bowen. Electrical corporations: air-conditioning: load control.

(1) Existing law provides for regulation of electrical corporations by the Public Utilities Commission.

~~This bill would require the commission to order each electrical corporation to establish a mandatory air-conditioning load control program for all residential customers of the corporation that have a central air-conditioning system. The bill would require the unspecified phased-in installation of automatic load control devices on existing residential central air-conditioning systems, and would require all new residential central air-conditioning systems installed in the service area of an electrical corporation on or after January 1, 2004, to include an automatic load control device.~~

~~This bill would provide that the commission will adjust rates to compensate the electrical corporation for the costs reasonably incurred by an electrical corporation for implementing its residential central air-conditioning load control program.~~

This bill would require the Public Utilities Commission, in consultation with the State Energy Resources Conservation and Development Commission, to develop a program for residential and commercial customer air-conditioning load control. The bill would

provide that the goal of the program is to contribute to the adequacy of electricity supply and to help customers reduce their electric bills in a cost-effective manner.

Because a violation of a rule or order of the commission is a crime under existing provisions of law, the bill would impose a state-mandated local program by creating a new crime.

(2) ~~The bill would make legislative findings and declarations.~~

(3) ~~The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.~~

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. The Legislature finds and declares all of the
2 following:

3 (a) Air-conditioning load ~~contributes~~ *constitutes* 28 percent of
4 California's peak electricity demand, *the largest single component*
5 *of electricity demand.*

6 ~~(b) The air-conditioning cycling programs run by the state's~~
7 ~~electrical corporations currently achieve the single greatest~~
8 ~~instantaneous peak demand reduction on the electricity system.~~

9 ~~(c) Implementing load control of all residential~~
10 ~~(b) Implementing load control for residential and commercial~~
11 ~~air-conditioning systems by the state's electrical corporations can~~
12 ~~achieve a significant reduction of California's peak electricity~~
13 ~~demand in a cost-effective manner.~~

14 ~~(d) It is the intent of the Legislature to mandate load control by~~
15 ~~the state's electrical corporations of central air-conditioning~~
16 ~~systems of residential customers.~~

17 (c) *It is the intent of the Legislature that the state establish*
18 *cost-effective load control programs for residential and*
19 *commercial air-conditioning systems.*

20 SEC. 2. Section 2774.6 is added to the Public Utilities Code,
21 to read:

22 ~~2774.6.—(a) As used in this section, the following terms shall~~

2774.6. The commission, in consultation with the State Energy Resources Conservation and Development Commission, shall develop a program for residential and commercial customer air-conditioning load control. The goal of the program shall be to contribute to the adequacy of electricity supply and to help customers reduce their electric bills in a cost-effective manner.

have the following meanings:

(1) “Air-conditioning load control” means the process whereby an electrical corporation uses an automatic control device to modulate a customer’s air-conditioning system.

(2) “Central air-conditioning system” means a system for heating or cooling that uses a fan to distribute heated or cooled air within a confined space. A typical residential central air-conditioning system includes a heating or cooling unit, supply or return ductwork, and controls, with these components provided in either a packaged or split system configuration.

(3) “Load control period” means the period during which air-conditioning load control is implemented, and shall include both of the following:

(A) When the Independent System Operator directs an electrical corporation to curtail specific amounts of load sufficient to maintain operating reserves above the 5 percent level through the next forecast hour.

(B) When an electrical corporation is testing the air-conditioning load control automatic control device.

(b) The commission shall order each electrical corporation to establish a mandatory air-conditioning load control program applicable to all residential customers that have a central air-conditioning system.

(c) The commission shall direct each electrical corporation to furnish, install, operate, and maintain an automatic control device at the premises of each residential customer that, as of January 1, 2004, has a central air-conditioning system, and to maintain the necessary infrastructure in order to effect air-conditioning load control.

(d) Each air-conditioning load control program shall be designed to achieve both of the following:

(1) Installation of automatic load control devices to retrofit _____ percent of residential customers with a central air-conditioning system on or before January 1, 2004.

1 ~~(2) Installation of automatic load control devices to retrofit an~~
2 ~~additional ——— percent of residential customers with a central~~
3 ~~air-conditioning system in each year thereafter through 2006.~~

4 ~~(e) Every central air conditioning system installed in the~~
5 ~~service territory of an electrical corporation on or after January 1,~~
6 ~~2004, shall include an automatic load control device compatible~~
7 ~~with the electrical corporation's air conditioning load control~~
8 ~~infrastructure.~~

9 ~~(f) An electrical corporation shall test each automatic control~~
10 ~~device once each year during peak demand hours.~~

11 ~~(g) The commission shall adjust rates to compensate electrical~~
12 ~~corporations for the costs reasonably incurred by the electrical~~
13 ~~corporation — for — implementing — its — residential — central~~
14 ~~air-conditioning load control program.~~

15 SEC. 3. No reimbursement is required by this act pursuant to
16 Section 6 of Article XIII B of the California Constitution because
17 the only costs that may be incurred by a local agency or school
18 district will be incurred because this act creates a new crime or
19 infraction, eliminates a crime or infraction, or changes the penalty
20 for a crime or infraction, within the meaning of Section 17556 of
21 the Government Code, or changes the definition of a crime within
22 the meaning of Section 6 of Article XIII B of the California
23 Constitution.